

1 Q Why is that?

2 A For many companies in many industries,
3 there are business decisions as to where they can
4 best allocate resources in a given fiscal
5 period. And so that would relate to expenditures
6 for EDI and internal automated business systems
7 versus other business processes and requirements
8 to conduct business.

9 Q In a situation where you were dealing with
10 complex orders that occurred relatively
11 infrequently, would those be viable candidates
12 for 100 percent mechanized flow through without
13 manual intervention?

14 A Typically no, they're not.

15 Q And you also, I believe, in your
16 discussion with Ms. Marsh discussed several
17 benefits associated with use of EDI. Who do
18 those benefits accrue to?

19 A The benefits for EDI accrue to the
20 receiver of the automated structured business
21 data.

22 Q Does the use of manual intervention by the

1 receiver after it has received the data over the
2 EDI, in your experience, does that have any
3 impact on the sender of the information?

4 A Not typically.

5 MR. BINNIG: We have no further redirect at
6 this time.

7 EXAMINATION

8 BY

9 JUDGE GUERRA:

10 Q Does it slow the transfer of information
11 at all?

12 A No.

13 Q Does it slow processing of the
14 information?

15 A It depends on how fast you process
16 transactions otherwise. It's all relative to all
17 kinds of business processes that may be in place.

18 JUDGE GUERRA: Any further cross?

19 MS. MARSH: I have just a couple questions.

20 JUDGE GUERRA: Sure.

21

22

1 RECROSS EXAMINATION

2 BY

3 MS. MARSH:

4 Q Ms. Foerster, you've indicated that you
5 have not assessed the actual performance of the
6 EDI interface in connection with Ameritech
7 Illinois' use of it; correct?

8 A Right.

9 Q Have you made any effort to determine the
10 level of manual intervention that Ameritech
11 Illinois relies on in processing orders sent over
12 the interface?

13 A No, I haven't.

14 Q Have you made any effort to determine
15 whether that level of manual intervention is
16 appropriate or warranted given your use of EDI?

17 A No, I haven't.

18 Q Can you tell me, given the EDI interface
19 that Ameritech has implemented, do you have any
20 opinion as to what the appropriate amount of
21 manual intervention would be?

22 A No, I don't have an opinion. I have not

1 seen in detail their implementation of it
2 internally.

3 Q Can you tell me if you have any opinion as
4 to the percentage of resell orders that are
5 submitted by CLECs on the EDI interface, as to
6 what percentage would be appropriate to fault a
7 manual intervention?

8 A I have no knowledge of that data.

9 Q Would it concern you with the level of
10 manual intervention that is currently being seen
11 on Ameritech's EDI interface is in excess of 10
12 percent?

13 A I'm sorry. Would you restate that
14 question?

15 Q Yes.

16 Would it concern you if the percentage
17 or the level of manual intervention as currently
18 being seen with CLECs' use of Ameritech's EDI
19 interface is in excess of 10 percent of all
20 orders submitted?

21 A No, it wouldn't.

22 Q Would it concern you if it was in excess

1 of 20 percent?

2 A No.

3 Q Would it concern you if it was in excess
4 of 30 percent?

5 A No.

6 Q Would it concern you if it was in excess
7 of 50 percent?

8 A No.

9 Q So there's no level of manual intervention
10 that would concern you as a consultant for EDI?

11 A At this point, it would depend on an
12 individual company's implementation approach and
13 where they're going to allocate their resources
14 for automated business systems. Those are
15 business decisions that need to be made by
16 individual companies.

17 MS.. MARSH: Thank you. That's all we have.

18 JUDGE GUERRA: Any further cross? Any
19 reredirect?

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MR. BINNIG: No reredirect.

JUDGE GUERRA: Thank you.

Let's go off the record.

(Whereupon, there was a
change of reporter.)

1 (Whereupon, Ameritech Illinois
2 Exhibits 1.4 and 1.5 were marked
3 for identification.)

4 JUDGE GUERRA: Let's go back on the record.
5 Mr. Gebhardt, you understand you're
6 still under oath?

7 THE WITNESS: Yes, sir.

8 DAVID H. GEBHARDT,
9 having been recalled as a witness herein, after
10 having been first duly sworn, was examined and
11 testified as follows:

12 DIRECT EXAMINATION

13 BY

14 MS. SUNDERLAND:

15 Q. I'm handing you what's been marked the
16 supplemental direct testimony of David H. Gebhardt
17 which consists of question and answer text plus a
18 schedule -- two schedules, excuse me, and I'm
19 handing you what has been marked as Ameritech
20 Illinois Exhibit 1.5 which is the supplemental
21 rebuttal testimony of David H. Gebhardt.

22 Are there any changes or

1 corrections which you wish to make to this
2 testimony?

3 A. I would like to make four changes
4 reflecting typographical errors on my supplemental
5 rebuttal testimony. I will discuss those as
6 follows:

7 Page 5 of Exhibit 1.5, the top line
8 on that page ends with "Ameritech Illinois." The
9 word "network" was omitted and should be added
10 after the word "Illinois."

11 On that same exhibit, Page 10, the
12 second line in the first full question that
13 appears on that page has Section 152. Correct
14 designation should be Section 153 of the Act.

15 On Page 11 of that exhibit, the top
16 line on that page, the same reference to Section
17 152 should be Section 153.

18 And one that I skipped on Page 6,
19 the question on that page, the third line of that
20 question says chat and that should be that,
21 t-h-a-t.

22 That's the end of my corrections.

1 Q. And I indicated to the Examiner that
2 we'd bring back corrected copies of the testimony
3 tomorrow morning with those changes in the record
4 copies.

5 And if anyone wants substitute
6 pages, we can provide them.

7 With those changes and corrections,
8 if I were to ask you all the questions in your
9 direct and rebuttal testimony orally here today,
10 would your answers be the same?

11 A. Yes, they would.

12 MS. SUNDERLAND: I would make Mr. Gebhardt
13 available for cross examination.

14 JUDGE GUERRA: Who will go first?

15 MR. MOORE: I'll go first.

16 CROSS EXAMINATION

17 BY

18 MR. MOORE:

19 Q. Good morning, Mr. Gebhardt.

20 These questions will be on your
21 supplemental rebuttal, Exhibit 1.5.

22 A. Yes, sir.

1 Q. And calling your attention to Page 31,
2 the discussion of 911 database.

3 A. Yes, sir.

4 Q. Now, what is the type of data that is
5 loaded into the 911 database?

6 A. Information as to the customer's
7 location, telephone number, address.

8 Q. And what is the use of that
9 information?

10 A. The use of that information is so that
11 the customer location can be identified by the
12 emergency reporting agency. So for dispatching
13 for whatever emergency arises for the customer.

14 Q. What process does Ameritech use for
15 loading information of its own customers?

16 A. Into the 911 database?

17 Q. Yes.

18 A. My understanding is it is a mechanized
19 loading of data.

20 Q. And when you say mechanized, what do
21 you mean?

22 A. It flows from the completion of

1 service orders and flows from the completion
2 database into the 911 database.

3 Q. Now, is there a different process for
4 inputing data from competitive local exchange
5 carriers?

6 A. My understanding is that the process
7 is that we have to obtain information from the
8 competitive company.

9 The same information that comes
10 through our order completion process then has to
11 be provided and input into the database so that
12 the same information that resides in that database
13 for Ameritech Illinois resides there for the
14 competitive customer.

15 Q. Is that an electronic interface that
16 accomplishes that loading?

17 A. It is automated as I understand it
18 from the point that the information is delivered
19 to Ameritech for loading into the database then
20 the tran -- actual transmission transaction to the
21 911 database after Ameritech treats it is an
22 automated interface.

1 Q. Now in what form does it arrive at
2 Ameritech then?

3 A. I don't know -- I think it varies by
4 competitor but the information required for us to
5 accurately load the database is the same.

6 Q. But is that information in the form of
7 a sheet of paper with the customer's phone number
8 and address?

9 A. I think it depends, Mr. Moore, on the
10 competitor and what arrangements have been made
11 with Ameritech.

12 Q. Has Ameritech made arrangements for an
13 electronic interface for loading that data?

14 A. Now, when you talk about electronic
15 interface, you're talking -- understand that the
16 order is completed by the competitor, the
17 information then is either via paper or some
18 mechanical means transmitted to Ameritech.

19 You're talking about the interface
20 from that point to the database?

21 Q. Yes.

22 A. I don't know that we have created that

1 mechanized interface as of this point in time.

2 Q. Now, in the answer toward the middle
3 of the page you discuss the fact that Ameritech's
4 objective is to maintain a 99 percent accuracy
5 rate and that it is currently meeting that
6 objective.

7 Now, is that 99 percent of the
8 entire 911 database?

9 A. Yes.

10 Q. So that would include both Ameritech
11 customers plus the customers of CLECs?

12 A. Yes, sir.

13 Q. Now, have you made an analysis of the
14 accuracy rate of just the customers of CLECs?

15 A. I have not.

16 Q. What percentage right now of the
17 database contains the customers of CLECs?

18 A. I don't know the answer to that
19 question, Mr. Moore.

20 Q. It's a fairly small number?

21 A. It would be a reasonably small number.

22 Q. And it is possible that a larger than

1 1 percent inaccuracy rate for CLECs would, because
2 of their relative size to Ameritech, still allow
3 Ameritech to maintain its goal of 99 percent
4 accuracy rate?

5 A. Under today's circumstances,
6 mathematically you could put together a
7 hypothetical that would create that situation.

8 Q. Now, the last sentence of the first
9 paragraph of the answer you state that to the
10 extent there were errors Ameritech Illinois and
11 TCG are impacted equally and there is no
12 discrimination.

13 Now, if there is an error for a
14 customer's address, the person impacted the most
15 is the customers, isn't that right, in the case of
16 emergency?

17 A. Yes.

18 MR. MOORE: I have no other questions.

19 CROSS EXAMINATION

20 BY

21 MR. REED:

22 Q. Good morning, Mr. Gebhardt.

1 A. Good morning, Mr. Reed.

2 Q. It's a pleasure to see you again.

3 A. It's always nice to see you.

4 Q. Got a couple of questions for you.

5 If you would be so kind as to turn
6 to Page 4 of your Exhibit 1.5.

7 A. I have it.

8 Q. There you indicate that common
9 transport -- no, let me digress.

10 I'm on Exhibit 1.4, your
11 supplemental direct at the top of Page 4. And I'd
12 like to focus your attention on the second line in
13 that answer wherein you have used the word
14 undifferentiated usage.

15 Would you explain for me how you're
16 using those words?

17 A. I'm using those words to basically say
18 that the interexchange -- the product that the
19 interexchange carriers are requesting is no
20 different from the usage that Ameritech provides
21 on a wholesale or a retail basis.

22 Q. Then would you be so kind as to

1 explain to me how the definition you have just
2 used is not consistent with the concept of a
3 network element and instead is consistent with the
4 concept of a service?

5 A. Yes. I will try.

6 The service that Ameritech is
7 providing is our usage services, our usage
8 services, and they basically require the use of
9 the network that Ameritech Illinois has in place
10 to provide those services.

11 The differentiation with a network
12 element comes to the point where the elements
13 represent pieces or parts of that integrated
14 network that is usually associated with services.

15 I don't know whether that gets to
16 your question, but if you could maybe ask a little
17 bit more, I'll try to help more.

18 Q. If I can just articulate what I
19 thought you just said.

20 Elements are pieces of a service?

21 A. Correct.

22 Q. And the service is a lot of elements

1 combined together?

2 A. It is functionally the same as the
3 elements combined together.

4 The differences are that the
5 elements presume that the purchaser is going to
6 assume some risk in the equation of the
7 provisioning and therefore the engineering, the
8 traffic studies, the routing and so forth that are
9 inherent in Ameritech Illinois' usage services are
10 not part of those unbundled elements.

11 Q. Now, Ameritech has suggested
12 alternatives for common transport such as shared
13 carrier transport and shared company transport.
14 Is that correct?

15 A. Correct.

16 Q. Will the carriers have to provide a
17 database themselves to determine where each call
18 is being made to a customer of a new LEC?

19 And by carriers I should have
20 prefaced that with interexchange carriers, and
21 I'll repeat the question.

22 Will the interexchange carriers

1 have to provide a database to determine where each
2 call is being made to a customer of a new local
3 exchange carrier?

4 A. They would -- if they were setting up
5 their own routing as envisioned by the unbundled
6 element purchases, they would be the ones that
7 would construct the databases that would be
8 necessary to determine where the calls were going
9 to be routed.

10 Q. And this would also be true with
11 respect to the dedicated transport option; is that
12 correct?

13 A. Yes, sir.

14 Q. Do you have any knowledge whether any
15 other regional Bell operating company has provided
16 for common transport or offers common transport?

17 A. I believe there have been some. I
18 have to tell you that I have not looked at details
19 of those, what some of those other companies have
20 done.

21 Q. Would you accept subject to check that
22 at least three, Southwestern Bell, U.S. West, and

1 Bell Atlantic, in fact, offer common transport?

2 A. Common transport as an unbundled
3 element?

4 Q. Yes. Yes.

5 A. And common transport without dedicated
6 ports and common transport without some commitment
7 on behalf of the competitor company?

8 Is that the kind of common
9 transport we're talking about?

10 Q. Your knowledge of those offerings
11 might be a bit more than mine.

12 Do you have any idea whether or
13 not --

14 A. I just want to be clear what I'm going
15 to be checking for before I accept it subject to
16 check.

17 Q. Then if you would be so kind and if
18 you have the ability to do so, I would appreciate
19 it whether or not you can check to see whether or
20 not they do offer it?

21 A. I would be happy to. But I want to
22 make sure we're defining it in the same way.

1 Q. Exactly the same way.

2 I'm not going to burden the record
3 with having you read this into the record, but I'd
4 like for you to just take a moment and review
5 Paragraph 258 of the FCC's first reported order.

6 A. Yes, I have looked over it.

7 Q. After reading that paragraph,
8 Mr. Gebhardt, can you explain to me in your own
9 words why you believe common transport is not a
10 network element when it appears as though the FCC
11 in that paragraph believes that it is?

12 A. Well, it has to do with the phrase
13 that -- I'll look at features, functions and
14 capabilities associated with the facilities.

15 Routing, the routing capability is
16 not a feature or a function inherent in the actual
17 table to bring about the -- routing is not a
18 feature or function inherent in any of the
19 facilities that the company is providing. That is
20 proprietary product developed by Ameritech
21 Illinois and it's for that reason primarily that I
22 believe that it is not appropriate for common

1 transport to be an unbundled network element.

2 The further reason is that it is
3 not separated or divisible from switching or
4 the -- for the routing reasons that I have already
5 given.

6 Q. You are familiar with Section 251 C 3
7 of the Telecommunications Act of 1996 wherein new
8 LECs are allowed to combine unbundled network
9 elements in order to provide service?

10 A. I am familiar with that section. As
11 you are aware, Ameritech Illinois has challenged
12 the FCC's interpretation of that section.

13 Q. Now I'm going to go to Page 7 of your
14 supplemental rebuttal and we can talk a little bit
15 about unbundled local switching.

16 And I must admit to you,
17 Mr. Gebhardt, it was not until I read your
18 supplemental rebuttal testimony, a little light
19 bulb came on and I kind of finally figured out
20 what you folks had been arguing about over these
21 past few months.

22 And for the benefit of the

1 Commission, if you would bear with me, I'd like to
2 kind of walk through the routing functions and the
3 local switch platform and unbundled local
4 switching. I'll be very brief but I need your
5 assistance in this.

6 A. I will do my best, Mr. Reed.

7 Q. You indicated on Page 7 and you have
8 indicated in a previous answer that the routing
9 instructions used by Ameritech to provide its
10 services are the proprietary product of Ameritech
11 Illinois' network engineers and administrators and
12 not a feature of the switch.

13 A. Correct.

14 Q. When the switch comes from the
15 manufacturer, it does not have routing
16 instructions in it?

17 A. That is correct.

18 Q. That's correct.

19 Those are put in after the fact; is
20 that correct?

21 A. That is correct.

22 Q. When the switch comes from the

1 manufacturer, it only has those features,
2 functions and capabilities that are normally
3 installed in a switch?

4 A. According to the generic that the
5 particular switch is in, yes.

6 Q. Okay. My limited understanding of the
7 network, you have got a switch, you have got a
8 transmission path or a pipe that's going to carry
9 the calls once they hit the switch?

10 A. Yes.

11 Q. Real generic.

12 You have also got a missing piece,
13 though, and that is the routing table, if you
14 will, that must be programmed into the switch to
15 direct the calls to their various locations?

16 A. That's correct.

17 Q. Under your proposal, how would a
18 purchaser of unbundled local switching perform
19 network routing?

20 A. The purchaser of the elements would
21 have to put into the router, and they could, you
22 know, we provide a routing function that the

1 unbundled network purchaser can buy or lease that
2 allows them the capability to perform or enter the
3 routing instructions suitable to their needs and
4 suitable to their traffic.

5 Q. They need to provide Ameritech or the
6 incumbent LEC, whoever that might be, with the
7 routing instructions for their calls?

8 A. Correct.

9 Q. Is it possible for a competitive LEC
10 to utilize Ameritech's existing routing tables on
11 a stand-alone basis as an unbundled element?

12 A. No. They can purchase it as part of a
13 wholesale or resale service.

14 Q. And the reason why they cannot utilize
15 Ameritech's routing tables is because Ameritech
16 doesn't know where their calls are going and they
17 do? Is that it? Is that a reason?

18 A. If they were using our tables their
19 calls would be routed in the identical fashion
20 that our services are routed.

21 Q. And you only offer that on a wholesale
22 basis because you can't pull it out?

1 A. Right.

2 Q. When the switch comes from a
3 manufacturer, it has the capabilities of
4 performing routing functions?

5 A. Yes, it does.

6 Q. And that's inherent in the switch?

7 A. That is correct.

8 Q. Why wouldn't you consider that
9 functionality that is already programmed in the
10 switch, that's already inherent in the switch,
11 simply not activated, why wouldn't you consider
12 that an element of the switch?

13 A. Because it is not a transmission as we
14 define transmission.

15 Q. How does Ameritech define
16 transmission?

17 A. The transfer of information between
18 points.

19 Q. Ameritech's local switch platform
20 tariff, if you will, that's out there, has three
21 components: The loop, local switch, and
22 transport.